



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

April 08, 2014

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

19 April 8, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**FIRST AMENDMENT TO LICENSE NO. 76951
DEPARTMENT OF PUBLIC SOCIAL SERVICES
611-623 SOUTH CARONDELET STREET, LOS ANGELES
(FIRST DISTRICT)
(3 VOTES)**

SUBJECT

A five-year license amendment for the Department of Public Social Services to provide continued use of 200 parking spaces for staff housed at the Wilshire Special District Office located at 2415 West Sixth Street, Los Angeles.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that the proposed license amendment is categorically exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, per Section 15301 of the State of California Environmental Quality Act Guidelines (Existing Facilities).
2. Approve and instruct the Chairman to sign the five-year license amendment with the Los Angeles Unified School District, Licensor, for 200 parking spaces, located at 611-623 South Carondelet Street, Los Angeles, for the Department of Public Social Services Wilshire Special District Office, for a first year cost of \$228,000. The annual license cost is 91 percent subvended by State and federal funds, and 9 percent net County cost.
3. Authorize the Chief Executive Officer and the Director of Public Social Services to implement the project. The amendment will be effective upon approval by the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since August 18, 1998, the Department of Public Social Services (DPSS) has used the subject parking structure for supplemental staff parking. The Board-adopted license expired on March 2, 2014, and DPSS has continued to use the structure on a month-to-month holdover basis. DPSS has requested renewal of the license for the continued operation of their DPSS Wilshire Special District Office (District Office) located at 2415 West Sixth Street, Los Angeles. The District Office currently has 312 staff and the office building only has 100 on-site parking spaces.

The District Office serves a high volume of clients in the vicinity to the north and west of downtown Los Angeles. The supplemental parking will provide an additional 200 parking spaces, in addition to the 100 District Office spaces for a total of 300 spaces for DPSS staff. The supplemental parking is located one block west and one-half block south of the District Office.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan Goal of Operational Effectiveness (Goal 1) directs that we maximize the effectiveness of process, structure, and operations to support timely delivery of customer-oriented and efficient public service. The proposed license amendment supports this goal by allowing DPSS to continue providing program services to families. The proposed license amendment is in conformance with the Asset Management Principles as outlined in Attachment A.

FISCAL IMPACT/FINANCING

The proposed license amendment will continue to provide DPSS with 200 parking spaces for \$19,000 per month, or \$228,000 annually, i.e., \$95 per space per month. The number of parking spaces proposed was reduced from 250 to 200, which will reduce the existing rent by \$4,691/\$56,283 per month/annually representing a potential cost reduction of \$281,415 over the extended term of the license.

The Licenser is responsible for operating costs associated with the County's occupancy. The rent is subject to Consumer Price Index (CPI) increases.

Sufficient funding for the proposed license costs is included in the Fiscal Year (FY) 2013-14 Rent Expense budget and will be billed back to DPSS. DPSS has sufficient funding in its FY 2013-14 operating budget to cover the projected license costs. State and federal subvention will be used to fund 91 percent of the rental costs, and the remaining 9 percent will be net County cost. Attachment B is an overview of the changes in the license.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The proposed license amendment will provide 200 parking spaces at \$19,000 per month and contains the following provisions:

- Reduce the number of parking spaces from 250 to 200.
- A five-year term commencing upon Board approval.
- Licensor is responsible for all utilities, operational, and maintenance costs associated with the premises.
- A mutual cancellation provision allowing either party to cancel any time after 24 months of the option term with 180 days prior written notice.
- Annual rental rate adjustments based upon the CPI.

The Chief Executive Office (CEO), Real Estate Division staff conducted a survey near the Wilshire Special District Office to determine the availability of comparable and more economical sites. Staff was unable to identify any sites in the survey area that could suitably accommodate this requirement, nor are there any County-owned or licensed facilities available for this program. Based upon said survey, staff has established that the rental range for similar parking is between \$75 and \$120 per space per month. Thus, the base monthly rent of \$95 per space for the proposed license amendment represents a rate within the market range for the area. Attachment C shows County owned or licensed facilities in the proximity of the service area, and there are no suitable County-owned or licensed facilities available for the program.

ENVIRONMENTAL DOCUMENTATION

The CEO has concluded that this project is exempt from the California Environmental Quality Act (CEQA) as specified in Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by the Board, and Section 15301 of the State CEQA Guidelines (Existing Facilities).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The proposed license amendment will adequately provide the necessary supplemental parking spaces for this County requirement. DPSS concurs with the proposed recommendation.

CONCLUSION

It is requested that the Executive Office, Board of Supervisors, return three originals of the executed license amendment, two certified copies of the Minute Order, and the adopted, stamped Board letter to the CEO, Real Estate Division at 222 South Hill Street, 3rd Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'WTF', followed by a horizontal line.

WILLIAM T FUJIOKA

Chief Executive Officer

WTF:RLR:CMM

CEM:NCH

FC:gw

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller
Public Social Services

ATTACHMENT A

DEPARTMENT OF PUBLIC SOCIAL SERVICES WILSHIRE SPECIAL DISTRICT 611-623 SOUTH CARONDELET STREET, LOS ANGELES Asset Management Principles Compliance Form¹

1.	<u>Occupancy</u>		Yes	No	N/A
	A	Does lease consolidate administrative functions? ²			X
	B	Does lease co-locate with other functions to better serve clients? ²			X
	C	Does this lease centralize business support functions? ²			X
	D	Does this lease meet the guideline of 200 sq. ft. of space per person? ² This is a parking license agreement.			X
2.	<u>Capital</u>				
	A	Is it a substantial net County cost (NCC) program?		X	
	B	Is this a long term County program?	X		
	C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?		X	
	D	If no, are there any suitable County-owned facilities available?		X	
	E	If yes, why is lease being recommended over occupancy in County-owned space?			X
	F	Is Building Description Report attached as Attachment C?	X		
	G	Was build-to-suit or capital project considered?		X	
3.	<u>Portfolio Management</u>				
	A	Did department utilize CEO Space Request Evaluation (SRE)?	X		
	B	Was the space need justified?	X		
	C	If a renewal lease, was co-location with other County departments considered?			X
	D	Why was this program not co-located?			
		1. ____ The program clientele requires a "stand alone" facility.			
		2. <u>X</u> No suitable County occupied properties in project area.			
		3. ____ No County-owned facilities available for the project.			
		4. ____ Could not get City clearance or approval.			
		5. ____ The Program is being co-located.			
	E	Is lease a full service lease? ²	X		
	F	Has growth projection been considered in space request?	X		
	G	Has the Dept. of Public Works completed seismic review/approval?			X
¹ As approved by the Board of Supervisors 11/17/98					
² If not, why not?					

ATTACHMENT B**FISCAL IMPACT/FINANCING
OVERVIEW OF LICENSE CHANGES**

611-623 So. Carondelet St. Los Angeles	Existing License	Proposed First Amendment to License	Change
Total Parking Spaces	250	200	-50 spaces
Term	Five years (3/03/2009-3/02/2014)	Five years upon Board adoption	No change
Annual Rent	\$284,283 (\$94.76/space/mo.)	\$228,000 (\$95.00/space/mo.)	-\$56,283 (-19.80 percent)
Cancellation	Either party, any time after 24 months with 180 days' notice	Either party, any time after 24 months with 180 days' notice	No change
Option to Renew	One five-year option	none	No option
Rental Adjustment	Based upon the Consumer Price Index	Based upon the Consumer Price Index	No change

ATTACHMENT C

**DEPARTMENT OF PUBLIC SOCIAL SERVICES
WILSHIRE SPECIAL DISTRICT
SPACE SEARCH FIVE-MILE RADIUS FROM
611-623 SOUTH CARONDELET STREET, LOS ANGELES**

LACO	Facility Name	Address	Bldg Use	Ownership	Available SQFT
L706	PARKING LOT (LE SAGE COMPLEX-LOT 69)	526 S VERMONT AVE, LOS ANGELES 90020	PARKING LOT	OWNED	NONE
L706	PARKING LOT (LE SAGE COMPLEX-LOT 69)	526 S VERMONT AVE, LOS ANGELES 90020	PARKING LOT	OWNED	NONE
L750	PKG LOT (PARKS & REC-LE SAGE COMPLEX-LOT A)	508 S VERMONT AVE, LOS ANGELES 90020	PARKING LOT	OWNED	NONE
L748	PARKING LOT (PARKS & RECREATION HEADQUARTERS)	427 S VERMONT AVE, LOS ANGELES 90020	PARKING LOT	OWNED	NONE
L114	DMH SUPPLEMENTAL PARKING FOR 529 S. MAPLE AVE	640 S MAPLE, LOS ANGELES 90013	PARKING LOT	LEASED	NONE
L115	DMH SUPPLEMENTAL PARKING FOR 529 SO. MAPLE AVE	646 S MAPLE AVE, LOS ANGELES 90013	PARKING LOT	LEASED	NONE
L039	PARKING LOT(WEINGART HEALTHCARE & DRUG REHAB)	504 E 6TH ST, LOS ANGELES 90021	PARKING LOT	LEASED	NONE
L717	PARKING LOT (EL PUEBLO DE LOS ANGELES)	615 N SPRING ST, LOS ANGELES 90012	PARKING LOT	OWNED	NONE
L726	PARKING LOT 26 (COUNTY COURTHOUSE-PUBLIC PKG)	120 S OLIVE ST, LOS ANGELES 90012	PARKING LOT	OWNED	NONE
L726	PARKING LOT 26 (COUNTY COURTHOUSE-PUBLIC PKG)	120 S OLIVE ST, LOS ANGELES 90012	PARKING LOT	OWNED	NONE
L065	PARKING (CAO-REAL ESTATE/SIB)	215 S BROADWAY, LOS ANGELES 90012	PARKING LOT	LEASED	NONE
L707	PARKING LOT 22 (HAHN HALL OF ADMINISTRATION)	232 N GRAND AVE, LOS ANGELES 90012	PARKING LOT	OWNED	NONE
L720	PKG LOT 30 (PERFORMING ARTS CTR-DE LISA BLDG)	311 N GRAND AVE, LOS ANGELES 90012	PARKING LOT	OWNED	NONE

**FIRST AMENDMENT TO LICENSE AGREEMENT NO. 76951
611-623 SOUTH CARONDELET STREET, LOS ANGELES**

This First Amendment is entered into by **LOS ANGELES UNIFIED SCHOOL DISTRICT** ("Licensor") and **THE COUNTY OF LOS ANGELES** ("Licensee").

W I T N E S S E T H:

WHEREAS, Licensor and Licensee entered into that certain License Agreement, fully executed on March 3, 2009 (the "Agreement"), for the use of the License Area, as defined in the Agreement;

WHEREAS, pursuant to Paragraph 5 of the License Agreement, Licensor granted Licensee one (1) option to extend the License Agreement, the option being for a period of five (5) years;

WHEREAS, Licensee has requested to exercise its first option to extend the Term of the License Agreement for five (5) years with the right to cancel any time after the twenty-fourth (24th) month of said option term;

WHEREAS, Licensee has requested to reduce the number of automobile parking spaces to two hundred (200) parking spaces in the License Area described in Paragraph 1;

NOW, THEREFORE, upon the full execution of this First Amendment, Licensor and Licensee hereby agree to amend the License Agreement as follows:

License Area:	200 parking spaces commencing upon approval.
License Fee:	\$19,000.00 per month (\$95.00 per space per month). All other terms and conditions of Paragraph 10 License Fee shall remain unchanged.
Extension Term:	Upon approval by the County Board of Supervisors, but no sooner than March 3, 2014 and terminating on March 2, 2019. Licensor and Licensee shall have the right to terminate the Agreement at or anytime after the twenty-four (24 th) month of the extension term.

All other terms and conditions of the License Agreement shall continue to apply.

76951, Supplement 1

IN WITNESS WHEREOF, Licensors and Licensee have executed this First Amendment as of the dates set forth below their respective signatures.

LICENSOR:

LOS ANGELES UNIFIED SCHOOL DISTRICT,
a school district duly organized and existing under
the laws of the State of California

By: [Signature]

Name: Eileen Ma
Deputy Director - Leasing & Space Utilization

Dated: 4/24/14

LICENSEE:

COUNTY OF LOS ANGELES
a body corporate and politic

By: [Signature]

Name: DON KNABE
Its: Chairman, Board of Supervisors

ATTEST:

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]

Deputy

APR 08 2014



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: [Signature]
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By: [Signature]

Deputy

ADOPTED
BOARD OF SUPERVISORS

#19 APR 08 2014

[Signature]
SACHI A. HAMAI
EXECUTIVE OFFICER

76951
Supplement No. 1